GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2140
ANSWERED ON:06.05.2016
Unified Payments Interface
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Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has launched a Unified Payments Interface (UPI) which will make money transfers through mobiles;

(b) if so, the details thereof along with the salient features of the said UPI;

(c) whether the Government has review performance of Automated Teller Machine (ATM) service in the country, if so, the details thereof; and

(d) the steps taken by the Government to further improve banking payments/transfers services?

Answer

The Minister of State in the Ministry of Finance

(a) and (b) Reserve Bank of India (RBI) has informed that it has given in-principle approval to National Payments Corporation of India (NPCI) for implementing Unified Payments Interface (UPI). The product will enable money transfers − both 'Push' and 'Pull' through smart phones. The two important features of UPI are − (i) it facilitates customer convenience by eliminating the need for providing detailed account / beneficiary details, through the use of virtual address (ii) it facilitates interoperability for person-to-merchant payments (both push and pull).

(c) and (d) As per RBI data, the number of ATMs of Scheduled Commercial Banks (SCBs) have increased from 141516 as on 31.12.2013 to 193622 as on 31.12.2015. Between 2012-13 to 2015-16 (April − February), the debit card transactions at ATMs have increased from 5530.16 million (553.016 crore) to 7339.76 million (733.976 crore). The value of transactions in this period has also increased from 16650.08 billion to 23114.58 billion.

RBI has also issued guidelines for licensing of payment banks in November 2014 and 11 applicants have been given 'in-principle' approval to set up payments bank. The main objective of setting up of payments banks is to further financial inclusion by providing (i) small savings accounts and (ii) payments/remittance services to migrant labour workforce, low income households, small businesses, other unorganized sector entities and other users in a secured technology-driven environment.
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